



DISASTER NEWS

Economic Injury Loans for Small Businesses

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Disaster Assistance Available for Small Businesses

Sacramento, CA – Small, non-farm businesses located in the **Oregon** counties of **Grant, Morrow, Umatilla, Union, and Wallowa** and the **Washington** counties of **Benton, Columbia** and **Walla Walla** are eligible to apply for low interest disaster loans. These loans are to offset economic losses because of reduced revenue to farmers and ranchers caused by excessive hail and rainfall in **Umatilla County** which occurred from May 1 through June 15, 2004, announced Alfred E. Judd, Disaster Area Director of the U. S. Small Business Administration (SBA).

Small businesses may qualify for Economic Injury Disaster Loans (EIDLs) of up to \$1.5 million to help meet financial obligations and operating expenses, which could have been met had the disaster not occurred. "Eligibility for these working capital loans is based on the financial impact of the disaster only, and not on any actual property damage. These loans have an interest rate of 2.75%, a maximum term of 30 years, and are restricted to businesses without the financial ability to offset the adverse impact without hardship," Judd said.

By law, SBA makes EIDLs available when the U. S. Secretary of Agriculture designates an agricultural disaster. Secretary Ann M. Veneman declared these disasters at the request of Oregon Governor Ted Kulongoski.

Businesses primarily engaged in farming or ranching are ineligible for SBA disaster assistance. Agricultural enterprises should contact the Farm Services Agency (FSA) about the U. S. Department of Agriculture (USDA) assistance made available by the Secretary's declaration.

Information and application forms may be obtained by writing to SBA at P.O. Box 419004, Sacramento, CA 95841-9004 or by calling (800) 488-5323. Hearing impaired individuals may call (916) 735-1683. The deadline to apply for these loans is **August 3, 2005**.